IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

I.T.A. No.372 of 2006
Date of decision : 23.1.2007

The Commissioner of Income Tax-I,Chandigarh.

.....Petitioner.

Versus

M/s Bank of Punjab Ltd.,Chandigarh .....Respondents.

CORAM : HON'BLE MR. JUSTICE M. M. KUMAR
HON'BLE MR. JUSTICE VINOD K. SHARMA

Present: Mr. S.K. Garg Narwana, Advocate
for the appellant.

****

M. M. KUMAR, J.(ORAL)

The following question of law is sought to be raised from the impugned order dated 21.11.2005 passed by the Income Tax Appellate Tribunal (Annexure A3) :

> "Whether on the facts and in the circumstances of the case, the ITAT was justified in law in allowing depreciation in respect of assets allegedly leased in the circumstances of the case where transactions between the parties were purely financial transactions and in effect colorable device leading to avoidance of tax."

It is pertinent to mention that the Tribunal has also relied upon I.T.A. No. 340/CHANDI/2001.

It could not be successfully contested by the learned counsel for the Revenue that the question raised in the instant appeal stands answered against the Revenue in I.T.A. No. 39 of 2002 as well as I.T.A. No. 340/CHANDI/2001 decided on 16.1.2006 by the Division Bench of this Court.

Accordingly we dismiss the appeal in terms of the judgment of this Court in I.T.A. No. 39 of 2002.

(M.M. KUMAR)
JUDGE

23.1.2007. **(VINOD K. SHARMA)**
'sp' **JUDGE**